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DEPARTMENT FOR AF/W AND AF/RSA USAID FOR JBORNS, NFREEMAN, MBROWN, MOTT, CGARRATT, EMBASSY ACCRA FOR GAIL SPENCE

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TAGS: <u>ECIN</u> <u>ETRD</u> <u>EINV</u> <u>EAID</u> <u>PREL</u> <u>NI</u> <u>ECOWAS</u> SUBJECT: 2007 ECOWAS DONORS' MEETING

11. Summary: Development partners of the Economic Community of West African States (ECOWAS) met November 20-21 in Abuja for a progress report on the organization's initiatives. The central vision of the ECOWAS Commission was transforming ECOWAS into an "ECOWAS of the People." While peace and security issues remain central to ECOWAS's work, implementing the ECOWAS Commission medium term work plan, building institutional capacity, expanding participation in the ECOWAS Donors Pool Fund and deepening regional integration were areas the ECOWAS Commission identified as priorities during this year's donors' meeting. Overall, the donors seemed satisfied with ECOWAS's progress in its restructuring, but as the ECOWAS Commission leadership acknowledged, more remains to be done. Donors agreed to push the Commission to circulate a preliminary version of the ECOWAS Commission President's Annual Report and the Financial Controller's Annual Report prior to next year's ECOWAS Donors Meeting. continues to play an important role in facilitating the organization's progress in promoting regional integration and peace and security efforts progress; more can be done with committed and long-term support for its reform and economic integration agenda. End Summary.

President's Vision for ECOWAS

- 12. The meeting was opened by the ECOWAS Commission President, Dr. Mohammed Ibn Chambas, with addresses from the Ambassador of Portugal, as representative of the European Union Presidency, and the United Nations Resident Coordinator in Nigeria. This was the first donors meeting held under the new ECOWAS Commission. The ECOWAS Commission President Chambas declared that the focus of this year's meeting was to share the key strategic plan of an "ECOWAS of the People" with development partners. He said the strategic documents presented are to guide and drive all ECOWAS's interactions, planning, program implementation, and interface with development partners.
- 13. Dr. Chambas said a key priority was the operationalizing of the new vision of transforming ECOWAS from a focus on states to creating a borderless region of peoples as a vehicle for growth and prosperity took center stage. On June 15 ECOWAS Heads of State had adopted the ECOWAS Strategic Vision, which seeks to convert West Africa into a borderless region where citizens can create and avail themselves of opportunities for sustainable production by harnessing West Africa's enormous resources. The vision foresees the creation of a region-wide space for people to transact business, reduce poverty, and live in dignity and peace under the rule of law and good governance.
- 14. Dr. Chambas explained that in the Commission's efforts in equipping itself for regional integration, it has strengthened its capacity for financial management, established a department of external relations to help coordinate all partner supports,

established a department of monitoring and evaluation and established a strategic planning unit. Accelerating the recruitment process was identified as a key challenge facing the Commission and the newly established Human Resources Department.

ECOWAS Presentations

- 15. The meeting provided a platform for interaction, a review of the ECOWAS strategic plans, capacity building strategic framework, and review of areas of development cooperation. The Commission circulated documents which provided basic information on its key strategic plans. These were the ECOWAS Strategic Vision Document and Commission structure, the Medium Term Work Plan, the Capacity Building Strategic framework, the ECOWAS accounting and financial systems transformation, and the Civil Society interface with ECOWAS.
- 16. The Commission President updated development partners on the progress made since the institutional transformation. He presented the ECOWAS strategic vision for 2020 which focuses on sustainable development, poverty eradication and regional peace and security. ECOWAS Vice-President, Jean de Dieu Somda, presented the ECOWAS Medium Term Plan (MTP) 2008-2010 which detailed how the Commission will actualize the ECOWAS Vision 2020 of a borderless region of peoples. The Financial Controller, Adaoha C. Okuosa, later made her presentation on the implications of the transformation for the accounting and financial system of ECOWAS. Dr. Chambas said ECOWAS made some progress over the last year strengthening its capacity for financial management, ongoing recruitment process, creation of a external relations department to coordinate partner support, and a unit for strategic planning.

Economic Partnership Agreement with EU

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17. Dr. Chambas briefed donors on the activities being undertaken by ECOWAS on the negotiation of the Economic Partnership Agreement (EPA) with the European Union (EU) for a free trade area between the two regions. He disclosed that the negotiation was threatening to divide countries of the ECOWAS region into blocs of LDCs and non-LDCs, and threatened the regional integration and common customs union. The ECOWAS Commission pointed to the Euro-Africa Summit in Lisbon in December 8-9, 2007 as demonstrating whether there would be progress in negotiating the EPA. Following the Summit, ECOWAS expected to focus on development and regional integration in the EPA negotiations.

Donor Comments

- 18. Portugal gave the donor keynote addresses on behalf of donors during the conference. Other donors represented included Canada, China, the Netherlands, Denmark, European Commission, France, Portugal, Germany, Finland, Norway, Sweden, Spain, Japan, the UK, the U.S. and the World Bank. The Portuguese, represented by the Portuguese ambassador to Nigeria, Maria de Fatima Perestrello, spoke on behalf of donors and praised ECOWAS for its various initiatives, particularly in the promotion of regional peace and security. Ambassador Perestrello noted that despite these achievements, a lot needed to be done for timely achievement of the principal objectives of regional integration into a common market under a single currency, with a monetary union. She noted that ECOWAS should do more to implement regional common policies, accompanied by adoption of internal changes by member states.
- 19. Donors congratulated ECOWAS for returning to the original vision of regional economic integration. The Resident Coordinator of the United Nations, Alberic Kacou, praised ECOWAS for its success so far and challenged the ECOWAS Commission to develop strategies to ensure its strategic participation in the global trading system as a regional body. He called on the commission to establish clear goals for all stakeholders and closely engage each member state goals in the new vision of an ECOWAS of people. He further urged development

partners to cooperate with ECOWAS for greater coordination and effectiveness.

110. The DFID Regional Economic Advisor, Peter Poulsen, said that since donors were not provided with advance copies of the presentations for pre-meeting review it would be difficult to comment on their contents or raise points of discussion during the conference. The Canadian representative, Reid Cooper, made the suggestion that ECOWAS be more active on health, HIV/AIDS, and employment issues. Donors also noted the need to improve collaboration and cost reduction.

Donor Feedback

- 111. In a postmortem donors only meeting, participants were encouraged with ECOWAS progress over the last year, and indicated their willingness to continue supporting ECOWAS and its programs. Donors wanted more detailed reporting on achievements than agreed objectives and targets to judge if progress was made. For next year, the Donors agreed to push the Commission to circulate a preliminary version of the ECOWAS Commission President's Annual report and the Financial Controller's Annual Report prior to next year's ECOWAS Donors Meeting.
- 112. The donors also stressed the need for Pool Fund reports to include quarterly progress updates on NEPAD consultants work plans; that the ECOWAS 2008 budget show donor contribution to all major ECOWAS activities, and a breakdown of how the community levy and donor contribution are allocated to all ECOWAS institutions. The Finnish Ambassador made the point that ECOWAS needs to move faster in addressing food security, desertification and trade competitiveness issues. The representative from Sweden highlighted the need for ECOWAS to identify areas where donors could be of assistance to accelerate the ongoing recruitment exercise. The Canadian representative pointed out the need for advocacy from donors on regional integration within those countries where they have a diplomatic presence. The French Ambassador stressed that integration ultimately would have to be implemented by member states.
- 113. The World Bank representative suggested that ECOWAS presentations should have covered more of their key achievements especially in agriculture and transportation. The WB recommended that the donors work with ECOWAS on developing an agreed upon format, agenda, and timing for future meetings with greater emphasis on thematic sessions and more substantive discussion on the progress of ECOWAS programs. He asked donors to encourage their country

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directors and representatives in ECOWAS member states to encourage country support for regional integration. He emphasized the point that most poverty reduction strategy programs of ECOWAS member states don't address or include discussion on regional integration. He strongly encouraged donor country teams in ECOWAS member states indicate how they will contribute to regional integration and make sure that this topic is included in the bilateral country dialogue.

114. The Ambassador from Denmark stated that ECOWAS member states have a different role with ECOWAS than the donors have with ECOWAS. The Ambassador suggested that donors should be asking what kind of tripod relationship do donors want to have with ECOWAS and member states. The Danish Ambassador agreed with the WB representative that donors should do a study on the bottlenecks in implementing or achieving key ECOWAS priorities.

Moving Forward

115. Donors agreed that ECOWAS needs to give more attention to implementing its capacity building programs and finalizing its Medium Term Plan so donors can move from ad hoc contributions to an improved coordinated approach with expanded funding. Donors also agreed that ECOWAS needs to clarify the linkages between external initiatives such as the Millennium Development Goals, NEPAD, the

ECOWAS Vision 2020 plan, the Medium Term Plan and their Capacity Building Program.

- 116. Other areas identified by donors needing immediate attention from the ECOWAS Commission include:
- -- completing the ECOWAS Communication Strategy by June 30, 2008;
- -- completing the ECOWAS Tender Code revision by March 30, 2008;
- -- recognizing and planning for the role of member states in the design and implementation of ECOWAS programs;
- -- professionalizing ECOWAS staff through adequate capacity building;
- -- increasing the use and effectiveness of thematic groups by nominating an ECOWAS focal point for each group to animate meetings

Comment

117. The success of ECOWAS in achieving its vision of full regional integration depends on the political will of member states to adopt and implement agreed upon ECOWAS supported policy reforms and policy frameworks to advance economic integration and free trade. Progress from the Commission has been slowed by inadequate staffing and limited capacity to address technical issues related to economic integration. For future meetings, donors should encourage ECOWAS to provide more documentation to measure clearly program achievements and results and to better identify donor contribution and assistance to relevant programs and projects.

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